

Southeast Michigan Council of Governments

**Financial Report
with Supplemental Information
June 30, 2005**

Southeast Michigan Council of Governments

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Independent Auditor's Report

To the Executive Committee
Southeast Michigan Council of Governments

We have audited the accompanying basic financial statements of the Southeast Michigan Council of Governments as of and for the year ended June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the Southeast Michigan Council of Governments' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Southeast Michigan Council of Governments as of June 30, 2005 and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the budgetary comparison schedule are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it. In addition, the other supplemental information (identified in the table of contents) is not required parts of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the other supplemental information. However, we did not audit the information and express no opinion on it.

To the Executive Committee
Southeast Michigan Council of Governments

As discussed in Note 12 of the financial statements, fund balance as of June 30, 2004 has been adjusted to comply with GASB No. 16, relating to the recognition of a long-term liability pertaining to accumulated sick pay and vacation pay, as well as GASB No. 33, relating to the recording of deferred grant revenue receipts. Net assets as of June 30, 2004 have been adjusted to comply with GASB No. 16, relating to the recognition of a long-term liability pertaining to accumulated sick time.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2005 on our consideration of the Southeast Michigan Council of Governments' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide opinions on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Plante & Moran, PLLC

September 29, 2005

Southeast Michigan Council of Governments

Management's Discussion and Analysis

Southeast Michigan Council of Governments (the "Council") management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the Council's financial activity, identify changes in the Council's financial position, and its ability to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB No. 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and is intended to provide the financial results for the fiscal year ended June 30, 2005. Please read it in conjunction with the Council's financial statements.

Financial Highlights

SEMCOG carries out a wide range of planning and intergovernmental activities related to community and economic development, the environment, and transportation. The largest funding source remains the U.S. Department of Transportation, specifically the Federal Highway Administration and the Federal Transit Administration. Throughout the fiscal year, the transportation programs operated through short-term extensions while awaiting congressional reauthorization. This resulted in a cautious approach to management of the organization's finances.

Using this Annual Report

GASB No. 34 requires the presentation of two types of financial statements: Entity-wide financial statements and fund financial statements.

Council-wide Financial Statements

The Council-wide portion of the statements provides a perspective of the Council as a whole using the full accrual basis of accounting similar to private sector companies. There are two Council-wide statements: The statement of net assets and the statement of activities.

The statement of net assets combines net current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not. Consistent with the full accrual basis method of accounting, the statement of activities accounts for current year revenues and expenses regardless of when cash is received or paid.

Fund Financial Statements

The fund financial statements are similar to financial presentations of years past. The two account groups, general fixed assets and general long-term debt, are no longer reported. Consistent with previous years, the fund statements are reported using the modified accrual method of accounting. Under this basis of accounting, revenues are recorded when received, except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used in the fiscal year. In addition, net capital asset purchases are expensed and not recorded as an asset.

Southeast Michigan Council of Governments

Management's Discussion and Analysis (Continued)

Southeast Michigan Council of Governments has one fund type. The General Fund is used primarily to account for all revenues the Council receives. Its revenues are derived from state, federal, other grants, membership dues, and interest.

In addition, the grant specific schedules included in the other supplemental information section of the financial statements are intended to provide a grant specific reconciliation of activities for the benefit of the grantors.

Statement of Net Assets/Statement of Activities

The following table shows, in a condensed format, the current year's net assets and changes in net assets, compared to the prior year:

	2004	2005	Change from Prior Year
Assets			
Current assets	\$ 8,342,410	\$ 8,376,058	\$ 33,648
Capital assets - Net	<u>119,237</u>	<u>88,654</u>	<u>(30,583)</u>
Total assets	8,461,647	8,464,712	3,065
Liabilities			
Current liabilities	271,281	145,392	(125,889)
Pass-through funds payable	504,666	487,805	(16,861)
Deferred revenue	570,901	575,551	4,650
Long-term liabilities	<u>478,522</u>	<u>467,663</u>	<u>(10,859)</u>
Total liabilities	1,825,370	1,676,411	(148,959)
Net Assets			
Invested in capital assets	119,237	88,654	(30,583)
Unrestricted	<u>6,517,040</u>	<u>6,699,647</u>	<u>182,607</u>
Total net assets	<u>\$ 6,636,277</u>	<u>\$ 6,788,301</u>	<u>\$ 152,024</u>

Southeast Michigan Council of Governments

Management's Discussion and Analysis (Continued)

	2004	2005	Change from Prior Year
Program Revenue			
Operating grants - Federal, state, and other	\$ 7,259,896	\$ 8,189,263	\$ 929,367
Local dues and contributions	2,604,186	2,666,987	62,801
Interest and other income	<u>397,466</u>	<u>553,456</u>	<u>155,990</u>
Total revenue	10,261,548	11,409,706	1,148,158
Program Expenses			
Salaries and benefits	6,033,721	5,964,757	(68,964)
Contracts	865,186	2,393,460	1,528,274
Other costs	1,592,741	1,465,710	(127,031)
Pass through	<u>1,497,917</u>	<u>1,433,755</u>	<u>(64,162)</u>
Total expenses	9,989,565	11,257,682	1,268,117
Change in Net Assets	\$ 271,983	\$ 152,024	\$ (119,959)

Net assets increased 2.3 percent from a year ago, increasing from \$6.6 million to \$6.8 million.

Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations, increased by \$182,607. This represents an increase of approximately 2.8 percent. The current level of unrestricted net assets stands at \$6,699,647. On a fund basis, the Council has a fund balance of approximately \$6.2 million. This total balance includes approximately \$2.3 million that the Council has designated for fiscal year 2006 local matching obligations and another approximately \$3 million to provide for budget stabilization.

Revenues increased by approximately \$1.1 million. The increase, which represents 11.2 percent, was primarily due to the first full year of activity for the commuter rail study grant and a household travel survey.

Expenses increased by about \$1.3 million, or 12.7 percent, during the year. The increase was the result of increased contractual services for the commuter rail study project and a travel survey.

Our analysis of the Council's major fund begins on page 7.

Budgetary Highlights

The Council's budget is adopted in total with detail by revenue and expenditure categories provided for additional information. Uncertainty regarding the federal transportation legislation led to deferrals in hiring and contract awards and delayed decisions related to equipment and other purchases. This resulted in total expenditures, and correlating revenues, less than budget.

Southeast Michigan Council of Governments

Management's Discussion and Analysis (Continued)

Economic Factors and Next Year's Budgets and Rates

Factors affecting budgeting for the year ahead include uncertainty regarding the amount and timing of funds available to the Council as a result of reauthorization of the transportation bill. While the new bill provides for a modest increase in funding, Congress continues to operate the program through use of continuing resolutions, which maintains the funding at lower pre-authorization levels.

Two additional factors with which we are concerned are the overall condition of local government finances, which has potential impacts on Council membership dues that are used to match state and federal grants, and escalating fringe benefit costs resulting primarily from increased health care insurance premiums.

Contacting the Council's Management

This financial report is designed to provide our members, funding agencies, and citizens with a general overview of the Council's finances and to demonstrate the Council's accountability for the money it receives. If you have any questions about this report or need additional information, contact the finance manager at the Southeast Michigan Council of Governments, 535 Griswold Avenue, Suite 300, Detroit, Michigan 48226-9844.

Southeast Michigan Council of Governments

Governmental Fund Balance Sheet/ Statement of Net Assets June 30, 2005

	General Fund Balance Sheet - Modified Accrual	Adjustments (Note 2)	Statement of Net Assets - Full Accrual Basis
Assets			
Cash and cash investments (Note 3)	\$ 5,448,049	\$ -	\$ 5,448,049
Accounts receivable	2,863,469	-	2,863,469
Prepaid expenses	64,540	-	64,540
Capital assets (Note 1)	-	88,654	88,654
Total assets	\$ 8,376,058	88,654	8,464,712
Liabilities			
Accounts payable	\$ 126,007	-	126,007
Pass-through funds payable	487,805	-	487,805
Deferred revenue (Note 4)	1,352,911	(777,360)	575,551
Other accrued liabilities	19,385	-	19,385
Noncurrent liabilities:			
Accrued compensated absences	-	267,663	267,663
Due to other governmental agencies	200,000	-	200,000
Total liabilities	2,186,108	(509,697)	1,676,411
Fund Balance			
Designated for:			
Expenditure stabilization	3,017,910	(3,017,910)	-
Fiscal year 2006 local matching obligations	2,297,075	(2,297,075)	-
Undesignated	874,965	(874,965)	-
Total fund balance	6,189,950	(6,189,950)	-
Total liabilities and fund balance	\$ 8,376,058		
Net Assets			
Invested in capital assets		88,654	88,654
Unrestricted		6,699,647	6,699,647
Total net assets	\$ 6,788,301	\$ 6,788,301	

Southeast Michigan Council of Governments

Statement of Revenue, Expenditures, and Changes in Fund Balances/ Statement of Activities Year Ended June 30, 2005

	Revenue and Expenditures -	Statement of Activities - Full	
	Modified Accrual Basis	Adjustments (Note 2)	Accrual Basis
Revenue			
Federal grants	\$ 159,572	\$ -	\$ 159,572
State-administered federal grants	6,855,498	56,101	6,911,599
Local dues and contributions	2,351,324	-	2,351,324
Other administered federal	52,754	-	52,754
Other revenues	400,001	-	400,001
Interest and other income	<u>100,701</u>	<u>-</u>	<u>100,701</u>
Total operating revenue before pass-through revenue	9,919,850	56,101	9,975,951
Federal and state-administered pass-through	1,118,092	-	1,118,092
Pass-through match and in-kind revenue	<u>315,663</u>	<u>-</u>	<u>315,663</u>
Total revenue	<u>11,353,605</u>	<u>56,101</u>	<u>11,409,706</u>
Expenditures			
Salaries	3,858,389	-	3,858,389
Fringe benefits	2,117,227	(10,859)	2,106,368
Contracts	2,393,460	-	2,393,460
Rent	746,969	-	746,969
Travel	164,017	-	164,017
Supplies	299,656	-	299,656
Other costs	181,164	-	181,164
Capital outlay	43,320	(43,320)	-
Depreciation	<u>-</u>	<u>73,904</u>	<u>73,904</u>
Operating expenditures before pass-through expenditures	9,804,202	19,725	9,823,927
Pass-through expenditures	1,118,092	-	1,118,092
Pass-through match	<u>315,663</u>	<u>-</u>	<u>315,663</u>
Total expenditures	<u>11,237,957</u>	<u>19,725</u>	<u>11,257,682</u>
Excess of Revenue Over Expenditures	<u>115,648</u>	<u>36,376</u>	<u>152,024</u>
Fund Balance/Net Assets - Beginning of year, as adjusted (Note 12)	<u>6,074,302</u>	<u>561,975</u>	<u>6,636,277</u>
Fund Balance/Net Assets - End of year	<u>\$ 6,189,950</u>	<u>\$ 598,351</u>	<u>\$ 6,788,301</u>

Southeast Michigan Council of Governments

Notes to Financial Statements

June 30, 2005

Note I - Summary of Significant Accounting Policies

The accounting policies of the Southeast Michigan Council of Governments (the "Council") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Council:

Reporting Entity

The Southeast Michigan Council of Governments is a voluntary association of various counties, cities, townships, villages, and school districts within the seven-county area of southeastern Michigan. The Council was organized in 1968 as an overall organization for coordinating and implementing various area-wide planning functions. The operations of the Council are financed primarily by federal and state grants and membership dues and contributions. The Council does not have the power to levy taxes or issue credit instruments and, accordingly, its operations are dependent upon the amount of voluntary membership dues received which can be used for local matching shares of grant participation programs.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Council's basic financial statements include both the Council's full accrual financial statements and modified accrual financial statements.

Full Accrual Financial Statements

The full accrual financial statements (i.e., the statement of net assets and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting, which is described below. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The statement of net assets includes and recognizes all long-term assets. The Council's net assets are reported in three parts - invested in capital assets, restricted net assets, and unrestricted net assets.

The statement of activities includes depreciation on long-term assets and eliminates capital outlay expense.

Southeast Michigan Council of Governments

Notes to Financial Statements

June 30, 2005

Note I - Summary of Significant Accounting Policies (Continued)

Private sector standards of accounting issued prior to December 1, 1989 are generally followed in the full accrual financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board.

Modified Accrual Financial Statements

The Council's modified accrual financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which is described below.

Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, the expenditures relating to long-term compensated absences and claims are only recorded when payment is due.

The Council has one fund, the General Fund. The General Fund accounts for all financial resources of the Council.

Financial Statement Amounts

Cash and Cash Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Capital Assets - Capital assets are defined by the Council as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Assets are recorded at historical cost.

The Council's capital assets consist of computer equipment and office furnishings which are depreciated using the straight-line method over three to five years. Total historical cost amounted to \$315,772, and accumulated depreciation amounted to \$227,118 at year end. Depreciation expense was \$73,904 for the year ended June 30, 2005.

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences (Vacation and Sick Leave) - It is the Council's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Council does not have a policy to pay any amounts when employees separate from service with the Council. All vacation pay is accrued when incurred in the statement of net assets/statement of activities columns. A liability for these amounts is reported in the governmental fund only for employee terminations as of year end.

Fund Equity - In the fund financial statements, the governmental fund reports reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent management's and the Southeast Michigan Council of Government's elected leadership plans.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Assets/Statement of Activities

Net assets reported in the statement of net assets column is different than the fund balance reported in the individual fund column because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

Fund Balance - Modified Accrual Basis	\$ 6,189,950
Amounts reported in the statement of net assets are different because:	
Net values of capital assets used in governmental activities are not financial resources and are not reported in the funds	88,654
Grant revenue was recorded as deferred revenue for the governmental fund for grant reimbursement receivables that were not received within 60 days of fiscal year end	777,360
Accumulated long-term compensated absences are not included as a liability on the fund statements under modified accrual	(267,663)
Net Assets - Full Accrual Basis	\$ 6,788,301

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Assets/Statement of Activities (Continued)

The change in net assets reported in the statement of activities column is different than the change in fund balance reported in the individual fund columns because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

Net Change in Fund Balances - Modified Accrual Basis	\$ 115,648
Amounts reported in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	43,320
Depreciation expense	<u>(73,904)</u>
Subtotal	(30,584)
Current year changes in deferred grant revenue not recorded in the governmental funds as monies were not received within 60 days of fiscal year end	56,101
Decrease in accrual for long-term compensated absences reported as expenditures in the statement of activities, but not in the fund statements	<u>10,859</u>
Change in Net Assets of Governmental Activities	<u>\$ 152,024</u>

Note 3 - Deposits and Investments

The Council has designated Comerica Bank and First Independence National Bank for the deposit of its funds. The Council's cash and investments are subject to various types of risks, which are examined in more detail below:

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 3 - Deposits and Investments (Continued)

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council does not have a deposit policy for custodial credit risk. At year end, the Council had \$438,631 of bank deposits (certificates of deposit and checking accounts) that was uninsured and uncollateralized. The Council believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Council evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Credit Risk

The Council has an investment policy that limits its investment choices. As of year end, the credit quality ratings of debt securities is follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
Bank investment pool	\$ 4,809,018	A-1	S&P

Note 4 - Deferred Revenue

The governmental fund reports deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. The governmental fund also defers revenue recognition in connection with resources that have been received but not yet earned, such as annual dues paid by participating communities at various times throughout the Council's fiscal year. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Unexpired portion of membership and designated management agency fees	\$ -	\$ 397,883
Unexpended contributions from Urban Airshed Project, Water Quality Survey, and Rain Gauge		110,457
Grant reimbursements requested but not received within 60 days of year end	777,360	-
Unexpended contributions for Orthoimagery Project	-	67,211
Total	\$ 777,360	\$ 575,551

Southeast Michigan Council of Governments

Notes to Financial Statements

June 30, 2005

Note 5 - Leases

Operating Leases - The Council leases its office facilities under a seven-year operating lease which expires in 2007. The Council has two renewal options to extend the lease. The first is for an additional three years at market rate and the second option is for an additional five years at market rate. Total costs for the lease were \$746,969 for the current year. The future minimum lease payments for the office facilities are as follows:

2006	\$ 742,393
2007	<u>761,061</u>
Total	<u>\$ 1,503,454</u>

Note 6 - Risk Management

The Council is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Council has purchased commercial insurance for these risks. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 7 - Defined Benefit Pension Plan Under MERS

Plan Description - The Southeast Michigan Council of Governments participates in the Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers all full-time staff and strategic part-time staff of the Council.

Benefits vest after eight years of service. Covered employees who retire at or after attaining the age of 60 with 10 years of credited service or at the age of 55 with 15 years of credited service are entitled to an annual retirement benefit payable for life, in an amount equal to their average annual compensation for the last three highest consecutive years of employment times an entitled benefit percentage of 2.25 percent for each year of credited service. MERS also provides death and disability benefits. All current retirees are also covered under Benefit Plan E, which provides for a one-time adjustment of up to 2 percent of benefits in recognition of increased living costs. The Benefit Plan E is adopted annually.

MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Municipal Employees' Retirement System at 1134 Municipal Way, Lansing, MI 48917.

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 7 - Defined Benefit Pension Plan under MERS (Continued)

Funding Policy - There is no obligation for covered employees to contribute to the system.

Annual Pension Cost - For the year ended June 30, 2005, the Council's annual pension cost was \$0. The annual required contribution was determined as part of an actuarial valuation at December 31, 2004, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 percent per year, and (c) 2.5 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 3 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a five-year period.

Other three-year trend information is as follows:

	Actuarial Valuation as of December 31		
	2002	2003	2004
Actuarial value of assets	\$ 20,953,708	\$ 21,890,253	\$ 22,819,123
Actuarial Accrued Liability (AAL) (entry age)	\$ 15,554,946	\$ 16,805,791	\$ 17,989,824
Overfunded AAL	\$ 5,398,762	\$ 5,084,462	\$ 4,829,299
Funded ratio	135%	130%	127%
Covered payroll	\$ 4,044,702	\$ 4,288,352	\$ 4,277,471
UAAL as a percentage of covered payroll	- %	- %	- %

Note 8 - Pension Trust Fund/Defined Contribution Plan

The Council provides pension benefits to all of its full-time staff through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan by the Council plus investment earnings. Employees are eligible to participate from the date of employment. As established by the Council, the amount the Council contributes each year, if any, is determined by funds available in the budget. Employees' gross earnings and employee contributions for each employee plus interest allocated to the employee's account are fully vested after five years of continuous service.

The Council's total payroll during the current year was \$3,858,389. The current year contribution was calculated based on covered payroll of \$3,667,422, resulting in an employer contribution of \$129,782.

Southeast Michigan Council of Governments

Notes to Financial Statements

June 30, 2005

Note 9 - Commitments for Expenditures from Local Source Revenues

At June 30, 2005, the Council is committed to provide \$2,297,075 during fiscal year 2006 as its local matching share for existing grant participation programs and locally funded activities. This amount has been designated in the June 30, 2005 General Fund balance.

Note 10 - Pass-through Funds

Grant revenues and expenditures include funds aggregating \$1,118,092, passed through the Council from the Federal Transit Administration and the Federal Highway Administration to subrecipient agencies in 2005. As required under the agreements with grantor agencies, the recipient agencies contributed local matching funds aggregating \$263,795.

The costs incurred under these grants are subject to the final closing adjustments of the subrecipient agencies' costs which, if any, should not materially affect the Council's future financial position or results of operations. At the end of the current fiscal year, pass-through funds payable of \$487,805 represent amounts billed to the Council from the various subrecipient governmental agencies but not paid as of that date.

Note 11 - Stewardship, Compliance, and Accountability

Budgetary Information - An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year end.

The budget document presents information consistent with the presentation of the actual results within the report.

The budget process begins with the staff developing the SEMCOG work program and budget with input from funding and pass-through agencies. The budget is presented to the finance and budget committee for further input. The finance and budget committee forwards the budget to the executive committee for concurrence and to the general assembly for adoption. The budget is adopted in total with detail by revenue and expenditure categories presented for additional information. Throughout the year, the actual revenues and expenditures are monitored against this information. Budget to actual information is presented throughout the year to the finance and budget committee and executive committee.

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 11 - Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations in Budget - During the year, the Council incurred expenditures that were in excess of the amounts budgeted as follows:

	Budget	Actual	Variance
Fringe benefits	\$ 2,084,471	\$ 2,117,227	\$ (32,756)
Supplies	294,926	299,656	(4,730)
Pass-through match	264,947	315,663	(50,716)
Pass-through expenditures	1,110,573	1,118,092	(7,519)

The above-mentioned expenditures in excess of budget were offset by correlating revenues in excess of budget due to unanticipated grants and some select other expenditures less than budget.

Note 12 - Prior Period Adjustments and Other Reporting Change

Fund balance as of June 30, 2004 has been adjusted to comply with GASB No. 16, relating to the recognition of a long-term liability pertaining to accumulated sick pay and vacation pay, as well as GASB No. 33, relating to the recording of deferred grant revenue receipts. Net assets as of June 30, 2004 have been adjusted to comply with GASB No. 16, relating to the recognition of a long-term liability pertaining to accumulated sick time. The schedule below reconciles the fund balance and net assets as previously stated to the adjusted beginning balances as of June 30, 2004.

	Fund Balance	Net Assets
Fund Balance as Previously Reported -		
Beginning of the year	\$ 6,033,361	\$ 6,152,598
Add cumulative effect of recording long-term sick time accrual	483,679	483,679
Add cumulative effect of recording long-term vacation accrual	278,522	-
Less effect of recording deferred grant revenue as current revenue	(721,260)	-
Fund Balance as of the Beginning of Year -		
As restated	<u>\$ 6,074,302</u>	<u>\$ 6,636,277</u>

Southeast Michigan Council of Governments

Notes to Financial Statements June 30, 2005

Note 12 - Prior Period Adjustments and Other Reporting Change (Continued)

In addition, in the prior period the pension trust fund related to the Council's defined contribution plan was reported as a fiduciary fund within the Council's general purpose financial statements (see Note 8). Given the nature of the custodial arrangement related to the fund holdings, the fund is not required to be reported as a fund of the Council. The fund has not been included in the current year financial statements.

Required Supplemental Information

Southeast Michigan Council of Governments

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2005

	Original and Final Adopted Budget	Actual Balances	Variance Favorable (Unfavorable)
Revenue			
Federal grants	\$ -	\$ 159,572	\$ 159,572
State-administered federal grants	8,093,716	6,855,498	(1,238,218)
Local dues and contributions	2,179,216	2,351,324	172,108
Other administered federal	64,346	52,754	(11,592)
Other revenues	459,079	400,001	(59,078)
Interest	<u>80,000</u>	<u>100,701</u>	<u>20,701</u>
Total operating revenue before pass-through revenue	10,876,357	9,919,850	(956,507)
Federal and state-administered pass-through	1,110,573	1,118,092	7,519
Pass through match and in-kind revenue	<u>264,947</u>	<u>315,663</u>	<u>50,716</u>
Total revenue	12,251,877	11,353,605	(898,272)
Expenditures			
Salaries	4,258,319	3,858,389	399,930
Fringe benefits	2,084,471	2,117,227	(32,756)
Contracts	2,855,691	2,393,460	462,231
Rent	763,000	746,969	16,031
Travel	199,645	164,017	35,628
Supplies	294,926	299,656	(4,730)
Other costs	<u>483,758</u>	<u>224,484</u>	<u>259,274</u>
Total operating expenditures before pass-through expenditures	10,939,810	9,804,202	1,135,608
Pass-through expenditures	1,110,573	1,118,092	(7,519)
Pass-through match	<u>264,947</u>	<u>315,663</u>	<u>(50,716)</u>
Total expenditures	<u>12,315,330</u>	<u>11,237,957</u>	<u>1,077,373</u>
Excess of Revenue Over (Under) Expenditures	(63,453)	115,648	179,101
Fund Balance - Beginning of year, as adjusted	6,074,302	6,074,302	-
Fund Balance - End of year	\$ 6,010,849	\$ 6,189,950	\$ 179,101

Other Supplemental Information

Southeast Michigan Council of Governments

Combined Statement of Revenues and Expenditures by Funding Source Year Ended June 30, 2005

	MDDOT/FHWA PROJECTS TOTAL	MDDOT SERVICES PROJECTS TOTAL	MDOT ASSISTANCE PROJECTS TOTAL	MDNR/EPA PROJECTS TOTAL	RTA PROJECTS TOTAL	LOCAL/OTHER PROJECTS TOTAL	TOTAL (MEMORANDUM ONLY) 2005	TOTAL (MEMORANDUM ONLY) 2004
Revenues earned:								
Federal grants	0	0	0	11,501	148,072	0	159,572	492,012
State administered federal	4,820,641	704,113	1,386,845	0	0	0	6,911,599	5,494,613
Federal & State Admin pass through	1,041,497	841	75,754	0	0	0	1,118,092	1,212,472
State grants	0	0	0	0	0	0	0	0
Local matching contributions	248,839	0	59,386	0	0	0	308,225	285,149
Local (SEMCOG)	1,086,925	3,392	(11,291)	311	3,837	1,294,572	2,377,747	2,318,739
Other administered Federal	0	0	0	0	0	52,754	52,754	60,800
Other revenues	0	0	0	0	0	400,001	400,001	346,505
Interest revenue & Misc rev.	0	0	0	0	0	100,701	100,701	51,961
Total revenues earned	7,197,902	708,346	1,510,604	11,812	151,908	1,848,029	11,428,691	10,261,551
Expenditures:								
Direct Cost								
Salaries	1,901,074	247,915	79,628	0	4,732	597,031	2,830,379	2,843,677
Subcontracts	824,911	0	1,158,426	50,556	138,900	177,942	2,350,735	821,326
Travel	37,143	10,357	2,097	0	0	29,524	79,120	90,373
Data processing	223,411	20,023	6,323	0	0	42,153	29,910	342,973
Supplies	49,829	19,532	3,206	0	55	55,429	128,052	179,133
Other costs	38,527	12,217	1,910	(38,744)	733	(88,523)	(73,880)	93,562
Allocated costs:								
Fringe benefits	1,011,844	141,598	45,480	0	2,703	325,245	1,526,869	1,518,200
Support services	848,936	120,584	36,968	0	2,297	223,986	1,232,781	1,196,488
Indirect costs	971,882	135,281	41,517	0	2,487	311,530	1,462,706	1,468,193
Equipment expenditures, net of depreciation	0	0	0	0	0	(23,146)	(23,146)	(62,256)
Operational Expenditures	5,807,566	707,505	1,375,554	11,812	151,908	1,651,182	9,805,527	8,481,649
Pass-through expenditures								
Pass-through match	1,041,497	841	75,754	0	0	0	1,118,092	1,212,470
In-Kind Match	248,839	0	7,518	0	0	0	265,357	265,866
	0	0	51,868	0	0	0	51,868	19,843
Total expenditures	7,197,902	708,346	1,510,604	11,812	151,908	1,651,182	1,231,844	9,989,568
Excess of revenues over expenditures								
							196,847	271,983

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation for the Year Ended June 30, 2005

	F04 FHWA 112 DETROIT UZA UWP 03-04 2003-2009 759117	F04A FHWA 112 ANN ARBOR UZA UWP 03-04 2003-2009 759116	F04M FHWA 112 TOLMONROE UZA UWP 03-04 2003-2009 759119	F04S FHWA 112 PORT HURON UZA UWP 03-04 2003-2009 75920	U04 FTA SEC. 8 MI-80-2009 UWP 03-04 2003-2009 75192
Grantor funding percentage	81.85%	81.85%	81.85%	81.85%	80.00%
Revenues earned:					
Federal grants	0.00	51,658.22	19,032.90	30,931.39	21,059.85
State administered Federal grants	0.00	0.00	0.00	0.00	0.00
State grants	0.00	0.04	16.72	0.02	1.66
Local (SEMCOG)	0.00	11,455.06	4,224.20	6,858.96	5,263.37
Local matching contributions	0.00	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00
In-kind revenue	0.00	0.00	0.00	0.00	0.00
Total revenues earned	0.00	63,113.32	23,273.82	37,790.37	26,324.88
Expenditures:					
Salaries	0.00	0.00	0.00	0.00	0.00
Subcontracts	0.00	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00	0.00
Data processing	0.00	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00	0.00
Other costs	0.00	0.00	0.00	0.00	0.00
Fringe benefits	0.00	0.00	0.00	0.00	0.00
Support services	0.00	0.00	0.00	0.00	0.00
Indirect costs	0.00	0.00	0.00	0.00	0.00
Operational Expenditures	0.00	0.00	0.00	0.00	0.00
Pass-through expenditures	0.00	51,658.26	19,049.62	30,931.41	21,061.51
Pass-through match	0.00	11,455.06	4,224.20	6,858.96	5,263.37
In-kind match	0.00	0.00	0.00	0.00	0.00
Total expenditures	0.00	63,113.32	23,273.82	37,790.37	26,324.88
Accounts receivable @ 7/1/04					
Federal and state share of expended funds	548,737.62	88,694.03	1,037.69	32,312.71	590,829.26
Cash received FY 2005 Adjustments	0.00	51,658.22	19,032.90	30,931.39	21,059.85
	548,737.60	140,352.25	20,070.59	63,244.10	611,889.11
	(0.02)	0.00	0.00	0.00	0.00
Accounts receivable @ 6/30/05	0.00	0.00	0.00	0.00	0.00

Southeast Michigan Council of Governments

By Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation Pass-through Expenses/Match for the Year Ended June 30, 2005

F04	F04A	F04M	F04S
FHWA 112 DETROIT UZA UWP 03-04 2003-0009 75917	FHWA 112 ANN ARBOR UZA UWP 03-04 2003-0009 75916	FHWA 112 TOL/MONROE UZA UWP 03-04 2003-0009 75919	FHWA 112 PORT HURON UZA UWP 03-04 2003-0009 75920
SMART - Payable	0.00	0.00	0.00
AATA - Payable	0.00	0.00	0.00
WATS - Payable	0.00	51,658.26	0.00
SCCOT'S - Payable	0.00	0.00	30,931.41
DDOT - Payable	0.00	0.00	0.00
TMACOG - Payable	0.00	0.00	0.00
Pass thru Payable Total	0.00	51,658.26	30,931.41
SMART - Pass thru match	0.00	0.00	0.00
AATA - Pass thru match	0.00	0.00	0.00
WATS - Pass thru match	0.00	11,455.06	0.00
SCCOT'S - Pass thru match	0.00	0.00	6,858.96
DDOT - Pass thru match	0.00	0.00	0.00
TMACOG - Pass thru match	0.00	0.00	4,224.20
Pass thru Match Total	0.00	11,455.06	4,224.20
Total	0.00	63,113.32	37,790.37

FTA SEC 8
MI-80-2008
UWP 03-04
2003-0009

TOTAL

19,992.00
0.00

19,992.00

52,727.77
30,931.41

0.00

19,049.62

0.00

21,061.51

21,061.51

122,700.80

4,998.00

0.00

0.00

267.37

0.00

6,858.96

0.00

4,224.20

0.00

5,263.37

27,801.59

26,324.88

150,502.39

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation from Project Inception through June 30, 2005

	F04 FHWA 112 DETROIT UZA UWP 03-04 2003-0009 75917	F04A FHWA 112 ANN ARBOR UZA UWP 03-04 2003-0009 75916	F04M FHWA 112 TOLMANROE UZA UWF 03-04 2003-0009 75919	F04S FHWA 112 PORT HURON UZA UWP 03-04 2003-0009 75920	U04 FTA SEC 8 MI-80-2009 UWP 03-04 2003-0009 75192	TOTAL
Grantor award total	6,078,206	361,981.00	91,336.00	213,901.00	1,671,826.00	
Revenues earned:						
Federal grants	3,853,101.55	254,403.87	65,591.86	175,077.93	1,219,523.81	5,567,799.02
State administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
State grants	854,414.11	56,413.37	13,979.53	38,823.03	165,423.31	1,020,445.47
Local (SEMCOG)	0.00	0.00	0.00	0.00	139,457.71	248,673.64
Local matching contributions	0.00	0.00	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00
In-kind revenue	0.00					
Total revenues earned	4,707,515.66	310,817.24	80,279.40	213,901.00	1,524,404.83	6,836,918.13
Expenditures:						
Salaries	1,707,752.15	0.00	1,341.15	0.00	300,088.65	2,069,181.95
Subcontracts	118,968.34	0.00	0.00	0.00	13,921.17	132,889.51
Travel	37,255.20	0.00	0.00	0.00	4,478.57	41,733.77
Data processing	217,092.28	0.00	0.00	0.00	42,976.74	260,069.02
Supplies	67,647.27	0.00	3.27	0.00	11,386.03	79,036.57
Other costs	49,579.01	0.00	0.00	0.00	9,723.91	58,302.92
Fringe benefits	909,098.31	0.00	744.98	0.00	161,871.95	1,071,716.25
Support services	731,052.84	0.00	550.99	0.00	126,633.98	860,237.81
Indirect costs	869,069.26	0.00	616.79	0.00	154,035.03	1,023,721.08
Operational Expenditures	4,707,515.66	0.00	3,257.19	0.00	827,116.03	5,537,888.88
Pass-through expenditures	0.00	254,403.92	63,042.68	175,077.97	557,831.09	1,050,355.88
Pass-through match	0.00	56,413.32	13,979.53	38,823.03	139,457.71	248,673.59
In-kind match	0.00	0.00	0.00	0.00	0.00	0.00
Total expenditures	4,707,515.66	310,817.24	80,279.40	213,901.00	1,524,404.83	6,836,918.13
Federal and state share of expended funds	3,853,101.57	254,403.87	65,591.86	175,077.93	1,219,523.81	5,567,799.04
Cash received	3,853,101.55	254,403.87	65,591.86	175,077.93	1,219,523.81	5,567,799.02
Adjustments	(0.02)	0.00	0.00	0.00	0.00	(0.02)
Accounts receivable@ 6/30/05	0.00	0.00	0.00	0.00	0.00	(0.00)

Southeast Michigan Council of Governments

By Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation Pass-through Expenses/Match from Project Inception through June 30, 2005

F04 FHWA 112 DETROIT UZA UWP 03-04 2003-0009 75917	F04A FHWA 112 ANN ARBOR UZA UWP 03-04 2003-0009 75916	F04M FHWA 112 TOL/MONROE UZA UWP 03-04 2003-0009 75919	F04S FHWA 112 PORT HURON UZA UWP 03-04 2003-0009 75920	U04 FTA SEC 8 MI-80-2009 UWP 03-04 2003-0009 75192
SMART - Payable AATA - Payable WATS - Payable SCCOTS - Payable DDOT - Payable TMACOG - Payable	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 254,403.92 0.00 0.00 0.00	0.00 0.00 0.00 0.00 63,042.68 0.00	289,520.00 49,440.00 12,816.85 0.00 196,054.24 63,042.68
Pass thru Payable Total	0.00	254,403.92	63,042.68	175,077.97
SMART - Pass thru match AATA - Pass thru match WATS - Pass thru match SCCOTS - Pass thru match DDOT - Pass thru match TMACOG - Pass thru match	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 56,413.32 0.00 0.00 0.00	0.00 0.00 38,823.03 0.00 13,979.53 0.00	74,880.00 12,350.00 3,204.15 0.00 49,013.56 0.00
Pass thru Match Total	0.00	56,413.32	13,979.53	38,823.03
Total	0.00	310,817.24	77,022.21	213,901.00
				697,288.80
				1,298,029.25

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation for the Year Ended June 30, 2005

	F05 FHWA 112 DETROIT UZA UWP 04-05 2003-0009/z32 80107	F05A FHWA 112 ANN ARBOR UZA UWP 04-05 2003-0009/z30 80108	F05M FHWA 112 TOL/MONROE UZA UWP 04-05 2003-0009/z33 80109	F05S FHWA 112 PORT HURON UZA UWP 04-05 .2003-0009/z31 80110	U05 FTA SEC 8 MI-80-2008 UWP 04-05 2003-0009/z34 77186	TOTAL
Grantor funding percentage						
Revenues earned:						
Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
State administered Federal grants	4,183,630.76	195,941.91	40,970.64	71,773.15	1,247,139.28	5,739,457.14
State grants	0.00	0.00	0.00	0.01	158,733.66	0.00
Local (SEMCOG)	927,707.92	43,449.55	464.56	15,915.49	153,001.78	1,086,906.21
Local matching contributions	0.00	0.00	0.00	0.00	0.00	221,037.38
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00
In-kind revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total revenues earned	5,111,338.68	239,391.52	50,055.76	87,988.65	1,558,924.72	7,047,398.33
Expenditures:						
Salaries	1,632,251.79	0.00	1,029.87	0.00	267,792.11	1,901,073.77
Subcontracts	742,419.42	0.00	0.00	0.00	82,491.08	824,910.50
Travel	32,927.91	0.00	0.00	0.00	4,214.84	37,142.75
Data processing	196,327.86	0.00	0.00	0.00	27,083.50	223,411.39
Supplies	44,714.02	0.00	0.00	0.00	5,114.89	49,828.91
Other costs	32,791.92	0.00	0.00	0.00	5,705.34	38,527.26
Fringe benefits	865,701.63	0.00	588.22	0.00	145,553.72	1,011,843.77
Support services	728,788.60	0.00	452.06	0.00	119,684.99	848,935.56
Indirect costs	835,415.50	0.00	489.41	0.00	135,987.13	971,892.04
Operational Expenditures	5,111,338.68	0.00	2,559.56	0.00	793,667.60	5,907,565.84
Pass-through expenditures	0.00	195,941.97	38,875.64	71,773.16	612,205.34	918,796.11
Pass-through match	0.00	43,449.55	8,620.56	15,915.49	153,031.78	221,037.38
In-kind match	0.00	0.00	0.00	0.00	0.00	0.00
Total expenditures	5,111,338.68	239,391.52	50,055.76	87,988.65	1,558,924.72	7,047,398.33
Accounts receivable @ 7/1/04	0.00	0.00	0.00	0.00	0.00	0.00
Federal and state share						
of expended funds						
Cash received FY 2005	4,183,630.76	195,941.91	40,970.64	71,773.15	1,247,139.28	5,739,455.74
Adjustments	2,911,810.93	142,330.72	26,819.62	24,359.50	761,684.89	3,861,985.66
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable @ 6/30/05	1,271,819.83	53,611.19	14,151.02	47,433.65	485,474.39	1,872,490.04

Southeast Michigan Council of Governments

By Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation Pass-through Expenses/Match for the Year Ended June 30, 2005

F05	F05A	F05M	F05S	U05
FHWA 112 DETROIT UZA UWP 04-05 2003-0009/z32 80107	FHWA 112 ANN ARBOR UZA UWP 04-05 2003-0009/z30 80108	TOLMONROE UZA UWP 04-05 2003-0009/z33 80109	FHWA 112 PORT HURON UZA UWP 04-05 2003-0009/z31 80110	FTA SEC 8 MI-80-2009 UWP 04-05 2003-0009/z34 77186
				TOTAL
SMART - Payable		0.00	0.00	251,518.00
AATA - Payable	0.00	0.00	0.00	251,518.00
WATS - Payable	0.00	195,941.97	0.00	49,440.00
SCCOTS - Payable	0.00	0.00	0.00	11,747.34
DDOT - Payable	0.00	0.00	71,773.16	0.00
TMACOG - Payable	0.00	0.00	0.00	299,500.00
		38,875.64	0.00	299,500.00
				38,875.64
Pass thru Payable Total	0.00	195,941.97	38,875.64	71,773.16
SMART - Pass thru match	0.00	0.00	0.00	612,205.34
AATA - Pass thru match	0.00	0.00	0.00	918,798.11
WATS - Pass thru match	0.00	43,449.55	0.00	62,880.00
SCCOTS - Pass thru match	0.00	0.00	15,915.49	12,360.00
DDOT - Pass thru match	0.00	0.00	0.00	46,386.33
TMACOG - Pass thru match	0.00	0.00	8,620.56	15,915.49
				74,875.00
				8,620.56
Pass thru Match Total	0.00	43,448.55	8,620.56	15,915.49
Total	0.00	239,391.52	47,498.20	87,688.65
				765,257.12
				1,139,833.49

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Federal Highway Administration and Federal Transit Administration Grants through Michigan Department of Transportation from Project Inception through June 30, 2005

	F05 FHWA 112 DETROIT UZA UWP 04-05 2003-0009/z32 80107	F05A FHWA 112 ANN ARBOR UZA UWP 04-05 2003-0009/z30 80108	F05M FHWA 112 TOULMONROE UZA UWP 04-05 2003-0009/z33 80109	F05S FHWA 112 PORT HURON UZA UWP 04-05 2003-0009/z31 80110	U05 FTA SEC 8 MI-80-2009 UWP 04-05 2003-0009/z34 77186	TOTAL
Grantor award total	5,489,232	363,295	100,240	115,192	1,641,015	
Revenues earned:						
Federal grants	0.00	0.00	0.00	0.00	0.00	
State administered Federal grants	4,183,630.76	185,941.91	40,970.64	71,773.15	1,247,139.28	
State grants	0.00	0.00	0.00	0.00	0.00	
Local (SEMCOG)	927,707.92	0.06	46,56	0.01	158,735.78	
Local matching contributions	0.00	43,449.55	8,620.66	15,915.49	153,051.78	
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	
Other revenues	0.00	0.00	0.00	0.00	0.00	
In-kind revenue	0.00	0.00	0.00	0.00	0.00	
Total revenues earned	5,111,338.68	239,391.52	50,055.76	87,688.55	1,558,924.72	7,047,399.33
Expenditures:						
Salaries	1,632,251.79	0.00	1,029.87	0.00	267,792.11	1,901,073.77
Subcontracts	742,419.42	0.00	0.00	0.00	82,491.08	824,910.50
Travel	32,927.91	0.00	0.00	0.00	4,214.84	37,142.75
Data processing	186,327.89	0.00	0.00	0.00	27,083.50	223,411.39
Supplies	44,714.02	0.00	0.00	0.00	5,114.89	49,828.91
Other costs	32,791.92	0.00	0.00	0.00	5,735.34	38,527.26
Fringe benefits	865,701.63	0.00	588.22	0.00	145,553.72	1,011,843.57
Support services	728,788.60	0.00	452.06	0.00	119,694.99	848,935.65
Indirect costs	835,415.50	0.00	489.41	0.00	135,987.13	971,892.04
Total expenditures	5,111,338.68	0.00	2,559.56	0.00	793,667.60	5,907,565.84
Pass-through expenditures						
Pass-through match	0.00	195,941.97	38,875.64	71,773.16	612,205.34	918,796.11
In-kind match	0.00	43,449.55	8,620.56	15,915.49	153,051.78	221,037.38
Total expenditures	5,111,338.68	239,391.52	50,055.76	87,688.65	1,558,924.72	7,047,399.33
Federal and state share of expended funds	4,183,630.76	195,941.91	40,970.64	71,773.15	1,247,139.28	5,739,455.74
Cash received adjustments	2,911,810.93	142,330.72	26,819.62	24,339.50	761,664.89	3,866,965.66
Accounts receivable@ 6/30/05	1,271,819.83	53,611.19	14,151.02	47,433.65	485,474.39	1,872,490.08

ast Michigan Council of Governments

**Expenditures by
Transportation -
June 30, 2005**

**By Funding Source - Federal Highway Administration and Federal
Transit Administration Grants through Michigan Department of
Transportation Pass-through Expenses/Match from Project
Inception through June 30, 2005**

TOTAL		F05 FHWA 112 DETROIT UZA UWP 04-05 2003-0009/z32 80107	F05A FHWA 112 ANN ARBOR UZA UWP 04-05 2003-0009/z30 80108	F05M FHWA 112 TOLMONROE UZA UWP 04-05 2003-0009/z33 80109	F05S FHWA 112 PORT HIRON UZA UWP 04-05 2003-0009/z31 80110	F05 FTA SEC 8 MI-80-2009 UWP 04-05 2003-0009/z34 77186	TOTAL
0.00	70,4953.98	SMART - Payable AATA - Payable WATS -Payable SCCOTS - Payable DDOT - Payable TMACOG - Payable	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 195,941.97 0.00 0.00 0.00	0.00 0.00 0.00 71,773.16 0.00 38,875.64	0.00 0.00 0.00 11,747.34 0.00 0.00	251,518.00 49,440.00 207,689.31 71,773.16 299,500.00 38,875.64
0.00	3,392.49		0.00	195,941.97	38,875.64	71,773.16	612,205.34
708,346.47		Pass thru Payable Total	0.00	195,941.97	38,875.64	71,773.16	918,796.11
247,914.56	0.00	SMART - Pass thru match AATA - Pass thru match WATS - Pass thru match SCCOTS - Pass thru match DDOT - Pass thru match TMACOG - Pass thru match	0.00 0.00 43,449.55 0.00 0.00 0.00	0.00 0.00 0.00 15,915.49 0.00 8,620.56	0.00 0.00 0.00 0.00 0.00 0.00	62,880.00 12,350.00 2,956.78 0.00 74,875.00 0.00	62,880.00 12,350.00 46,386.33 15,915.49 74,875.00 8,620.56
10,356.94	10,022.70	Pass thru Match Total	0.00	43,449.55	8,620.56	15,915.49	163,051.78
19,531.58	12,216.53	Total	0.00	239,391.52	47,496.20	87,688.65	765,257.12
12,216.53	141,597.66		0.00				221,037.38
120,584.40	135,280.70						1,139,833.49
707,505.07							

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Service Pass-through Expenses/Match for the Year Ended June 30, 2005

	RS04 PLANNING COORDINATION 2003-0009 77025	TIA4 RIDESHARING CMAQ 2003-0323 72264	RS05 PLANNING COORDINATION 2003-0009/229 81116	RS55 RIDESHARING SMART PORTION 59149	TOTAL
Grantor funding percentage	100%	100%	100%	100%	100%
Revenues earned:					
Federal grants					
State administered Federal grants	35,914.17	0.00	0.00	0.00	0.00
State grants	0.00	0.00	841.40	293,728.08	279,970.33
Local (SEMCOG)	2,190.12	0.00	0.00	0.00	0.00
Local matching contributions	0.00	0.00	0.00	0.00	1,222.37
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00
Total revenues earned	38,104.29	0.00	841.40	293,728.08	279,970.33
Expenditures:					
Salaries	13,756.90	0.00	0.00	112,591.39	90,638.91
Subcontracts	0.00	0.00	0.00	0.00	30,986.36
Travel	0.00	0.00	0.00	0.00	247,914.56
Data processing	3,161.48	0.00	0.00	329.73	6,977.82
Supplies	3.28	0.00	0.00	10,558.27	4,215.30
Other costs	0.00	0.00	0.00	60.51	14,530.21
Fringe benefits	7,857.32	0.00	0.00	162.00	9,778.29
Support services	6,039.46	0.00	0.00	64,307.14	51,769.45
Indirect costs	7,245.85	0.00	0.00	49,575.85	48,526.76
				56,163.19	53,532.59
Total expenditures	38,104.29	0.00	841.40	293,728.08	279,970.33
Operational expenditures					
Pass-through expenditures	0.00	0.00	841.40	0.00	0.00
Pass-through match	0.00	0.00	0.00	0.00	0.00
Total expenditures	38,104.29	0.00	841.40	293,728.08	279,970.33
Accounts receivable @ 7/1/04					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 7/1/04					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	166,233.45
	0.00	0.00	0.00	0.00	0.00
Total accounts receivable @ 6/30/05	0.00	0.00	56,199.34	113,736.88	0.00
Accounts receivable @ 6/30/05					
Federal and state share					
of expended funds					
Cash received FY 2005	35,914.17	0.00	841.40	293,728.08	279,970.33
Adjustments	49,677.69	75,046.28	43,000.00	236,528.74	

Southeast Michigan Council of Governments

By Funding Source - Michigan Department of Transportation - Service Pass-through Expenses/Match for the Year Ended June 30, 2005

	PC04 PLANNING COORDINATION 2003-0009 77025	TIA4 RIDESHARING CMAQ 2003-0323 72264	MATURE DRIVING WORKSHOP 2003-0009/229 75789	PC05 PLANNING COORDINATION 2003-0009/Z37 81116	RS05 RIDESHARING CMAQ 2004-0278 72263	RS55 RIDESHARING SMART PORTION 59149	TOTAL
TIA - Payable							
TIA(75) - Payable	0.00	0.00	841.40	0.00	0.00	0.00	841.40
AAA - Payable	0.00	0.00		0.00	0.00	0.00	0.00
AYUATS - Payable	0.00	0.00		0.00	0.00	0.00	0.00
8 Mile Blvd. Assn. - Payable	0.00	0.00		0.00	0.00	0.00	0.00
	0.00	0.00	841.40	0.00	0.00	0.00	841.40
TIA - Pass thru match							
TIA(75) - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AAA - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AYUATS - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 Mile Blvd. Assn. - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	841.40	0.00	0.00	0.00	841.40

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Service from Project Inception through June 30, 2005

	PC04 PLANNING COORDINATION 2003-0009 77025	RS04 RIDESHARING CMAQ 2003-0323 72264	TIA4 MATURE DRIVING WORKSHOP 2003-0009/ZZ9 75789	PC05 PLANNING COORDINATION 2003-0009/Z237 81116	RS05 RIDESHARING CMAQ 2004-0278 72263	RSS5 RIDESHARING SMART PORTION 59149	TOTAL
Grant award total	304,421		349,532		43,000		339,082
Revenues earned:							316,756
Federal grants							94,500
State administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State grants	260,030.56	295,976.44	0.00	43,000.00	293,728.08	279,370.33	94,500.00
Local (SEMCOGS)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Local matching contributions	2,190.12	0.00	0.00	0.00	0.00	1,202.37	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	3,392.49
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total revenues earned	262,220.68	295,976.44		43,000.00			279,370.33
Expenditures:							95,722.37
Salaries	95,495.09	78,165.08		0.00	112,561.39	90,639.91	30,926.36
Subcontracts	0.00	0.00		0.00	0.00	0.00	407,817.83
Travel	489.42	9,196.40		0.00	329.73	6,977.82	0.00
Data processing	21,332.25	0.00		0.00	10,538.27	4,215.30	20,062.76
Supplies	730.66	48,292.48		0.00	60.51	14,530.21	2,107.65
Other costs	1,016.94	10,758.29		0.00	162.00	9,778.29	4,937.58
Fringe benefits	53,261.82	43,419.68		0.00	64,307.14	51,789.45	68,551.44
Support services	40,159.39	50,067.65		0.00	49,575.85	48,536.76	22,216.24
Indirect costs	49,725.11	56,046.86		0.00	56,163.19	53,532.59	17,663.75
Operational expenditures	262,220.68	295,976.44		0.00	293,728.08	279,370.33	16,442.33
Pass-through expenditures	0.00	0.00		43,000.00	0.00	0.00	16,442.33
Pass-through match	0.00	0.00		0.00	0.00	0.00	0.00
Total expenditures	262,220.68	295,976.44		43,000.00	293,728.08	279,370.33	95,702.37
Federal and state share							95,702.37
of expended funds							95,702.37
Cash received	260,030.56	295,976.44		43,000.00	293,728.08	279,370.33	1,227,597.90
Adjustment	260,030.56	295,976.44		0.00	238,528.74	166,233.45	1,267,205.41
Accounts receivable@ 6/30/05	0.00	0.00		0.00	0.00	0.00	1,096,269.19
					55,199.34	113,736.88	0.00
							168,936.22

Southeast Michigan Council of Governments

By Funding Source - Michigan Department of Transportation - Service Pass-through Expenses/Match from Project Inception through June 30, 2005

	RS04 PLANNING COORDINATION 2003-0009 77025	TIA4 MATURE DRIVING WORKSHOP 2003-0009/Z29 75789	PC05 PLANNING COORDINATION 2003-0009/Z237 81116	RSS5 RIDESHARING CMAQ 2004-0278 72263	RSS5 RIDESHARING SMART PORTION 59149	TOTAL
TIA - Payable	0.00	0.00	43,000.00	0.00	0.00	43,000.00
TIA(75) - Payable	0.00	0.00	0.00	0.00	0.00	0.00
AAA - Payable	0.00	0.00	0.00	0.00	0.00	0.00
AYUATS - Payable	0.00	0.00	0.00	0.00	0.00	0.00
8 Mile Blvd. Assn. - Payable	0.00	0.00	0.00	0.00	0.00	0.00
			43,000.00	0.00	0.00	43,000.00
TIA - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
TIA(75) - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
AAA - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
AYUATS - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
8 Mile Blvd. Assn. - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
			43,000.00	0.00	0.00	43,000.00
Total						
			0.00	0.00	0.00	0.00

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Projects for the Year Ended June 30, 2005

	CRS4 COMMUTER RAIL STUDY 2003-0586 48561	OZ01 OZONE ACTION CMAQ 92-0956 53603	TDM4 TRAVEL DEMAND MODEL 2003-0009 74291	TOTAL
Grantor funding percentage	100%	80%	80%	100%
Revenues earned:				
Federal grants	0.00	0.00	0.00	0.00
State administered Federal grants	1,041,295.49	46,146.41	66,984.42	1,154,426.32
State grants	0.00	0.00	0.00	0.00
Local (SEMCOG)	0.00	11,536.62	857.42	12,394.04
Local matching contributions	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00
Total revenues earned	1,041,295.49	57,683.03	67,841.84	1,166,820.36
Expenditures:				
Salaries	11,535.93	17,616.62	27,297.10	56,449.65
Subcontracts	1,011,926.48	0.00	0.00	1,011,926.48
Travel	79.95	300.53	0.00	380.48
Data processing	0.00	6,322.96	0.00	6,322.96
Supplies	40.19	2,914.48	0.00	2,954.67
Other costs	321.50	630.16	0.00	951.66
Fringe benefits	6,588.81	10,061.82	15,590.87	32,241.50
Support services	5,187.04	8,807.00	11,981.96	25,976.00
Indirect costs	5,615.59	11,029.46	12,971.91	29,616.96
Total expenditures	1,041,295.49	57,683.03	67,841.84	1,166,820.36
Accounts receivable @ 7/1/04				
Federal and state share	2,841.39	12,112.61	3,592.50	18,346.50
of expended funds				
Cash received FY 2005	1,041,295.49	46,146.41	66,984.42	1,154,426.32
Adjustments	825,642.95	30,301.48	70,576.92	926,521.35
0.00		0.00	0.00	0.00
Accounts receivable @ 6/30/05	218,293.93	27,957.54	0.00	246,251.47

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Projects from Project Inception through June 30, 2005

	CRS4 COMMUTER RAIL STUDY 2003-0586 48561	OZ01 OZONE ACTION CMAQ 92-0956 53603	TDM4 TRAVEL DEMAND MODEL 2003-0009 74291	TOTAL
Grant award total				85,000
Revenues earned:				
Federal grants	0.00	0.00	0.00	0.00
State administered Federal grants	1,054,612.33	269,398.28	85,000.00	1,409,010.61
State grants	0.00	0.00	0.00	0.00
Local (SEMCOG)	0.00	67,349.74	857.42	68,207.16
Local matching contributions	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00
Total revenues earned	1,054,612.33	336,748.02	85,857.42	1,477,217.77
Expenditures:				
Salaries	16,977.14	95,413.14	34,264.38	146,654.66
Subcontracts	1,011,926.48	0.00	719.06	1,012,645.54
Travel	79.95	4,138.36	0.00	4,218.31
Data processing	0.00	26,905.10	0.00	26,905.10
Supplies	118.90	12,736.86	0.00	12,855.76
Other costs	321.50	27,297.19	0.00	27,618.69
Fringe benefits	9,611.33	53,724.92	19,461.10	82,797.35
Support services	7,439.73	51,842.55	15,029.49	74,311.77
Indirect costs	8,137.30	64,689.90	16,383.39	89,210.59
Total expenses	1,054,612.33	336,748.02	85,857.42	1,477,217.77
Federal and state share				
of expended funds	1,054,612.33	269,398.28	85,000.00	1,409,010.61
Cash received	836,318.40	241,440.74	85,000.00	1,162,759.14
Adjustments	0.00	0.00	0.00	0.00
Accounts receivable@ 6/30/05	218,293.93	27,957.54	0.00	246,251.47

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Projects for the Year Ended June 30, 2005

	TAS4 TRANSPORTATION ASSET MGT 2003-0009 72750	TAS5 TRANSPORTATION ASSET MGT 2003-00097236	WCDS WATS CRASH DATA 2003-0009 75648	WHM2 WOODWARD HERITAGE ROUTE MGT. 92-0956 55712	WHM4 WOODWARD HERITAGE ROUTE MGT. 2003-0009 72095	TOTALS
Grantor funding percentage						
Revenues earned:						
Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
State administered Federal grants	31,071.28	70,653.88	35,851.53	0.00	170,595.84	308,172.53
State grants	0.00	0.00	0.00	0.00	0.00	0.00
Local (SEMCOG)	411.85	0.00	0.00	0.00	(24,096.65)	(23,684.80)
Local matching contributions	0.00	0.00	7,517.56	0.00	0.00	7,517.56
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00
In-kind revenue	0.00	0.00	0.00	0.00	51,868.08	51,868.08
Total revenues earned	31,483.13	70,653.88	43,369.09	0.00	198,367.27	343,873.37
Expenditures:						
Salaries	11,110.18	12,067.92	0.00	0.00	0.00	23,178.10
Contracts	0.00	0.00	0.00	0.00	146,499.19	146,499.19
Travel	525.12	1,191.30	0.00	0.00	0.00	1,716.42
Data Processing	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	15.11	236.62	0.00	0.00	0.00	251.73
Other costs	223.39	735.37	0.00	0.00	0.00	958.76
Fringe benefits	6,345.63	6,892.65	0.00	0.00	0.00	13,238.28
Support services	5,090.11	5,901.54	0.00	0.00	0.00	10,991.65
Indirect costs	5,510.65	6,389.13	0.00	0.00	0.00	11,895.78
Operational expenditures	28,820.19	33,414.53	0.00	0.00	146,499.19	208,733.91
Pass-through expenditures	2,862.94	37,239.35	35,851.53	0.00	0.00	75,753.82
Pass-through match	0.00	0.00	7,517.56	0.00	0.00	7,517.56
In-kind match	0.00	0.00	0.00	0.00	51,868.08	51,868.08
Total expenditures	31,483.13	70,653.88	43,369.09	0.00	198,367.27	343,873.37
Accounts receivable @ 7/1/04						
Federal and state share	1,006.22	0.00	15,304.72	50.00	0.00	16,360.94
of expended funds	31,071.28	70,653.88	35,851.53	0.00	170,595.84	308,172.53
Cash received FY 2005	32,077.50	61,410.78	39,631.33	0.00	95,987.76	229,107.37
Adjustments	0.00	0.00	0.00	(50.00)	0.00	(50.00)
Accounts receivable @ 6/30/05	0.00	9,243.10	11,524.92	0.00	74,608.08	95,376.10

Southeast Michigan Council of Governments

By Funding Source - Michigan Department of Transportation Pass-through Expenses/Match for the Year Ended June 30, 2005

	TAS4 TRANSPORTATION ASSET MGT 2003-0009 72750	TAS5 TRANSPORTATION ASSET MGT 2003-0009/Z36	WCD3 WATS CRASH DATA 2003-0009 75648	WHM2 WOODWARD HERITAGE ROUTE MGT. 92-0986 55712	WHM4 WOODWARD HERITAGE ROUTE MGT. 2003-0009 72095	TOTALS
Smart - Payable	0.00	0.00	0.00	0.00	0.00	0.00
Ddot - Payable	0.00	0.00	0.00	0.00	0.00	0.00
Asset Management - Payable	2,662.94	37,239.35	0.00	35,851.53	0.00	35,851.53
WATS Crash Data - Payable	0.00					
	2,662.94	37,239.35	35,851.53	0.00	0.00	75,753.82
Smart - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
Ddot - Pass thru match	0.00	0.00	0.00	0.00	0.00	0.00
WATS Crash Data - Pass Thru Match	0.00	0.00	7,517.56	0.00	0.00	7,517.56
Total	2,662.94	37,239.35	=43,369.09	0.00	0.00	83,271.38

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Transportation - Projects from Project Inception through June 30, 2005

	TAS4 TRANSPORTATION ASSET MGT 2003-0009 72750	TAS5 TRANSPORTATION ASSET MGT 2003-0009/Z36	WCD3 WATS CRASH DATA 2003-0009 75648	WHM2 WOODWARD HERITAGE ROUTE MGT. 92-0956 55712	WHM4 WOODWARD HERITAGE ROUTE MGT. 2003-0009 72085	TOTALS
Grant award total		185,367	135,680	62,500	335,000	670,000
Revenues earned:						
Federal grants	0.00	137,492.51	70,653.88	51,156.25	291,450.00	0.00
State administered Federal grants	0.00	411.85	0.00	0.00	0.00	0.00
State grants					(24,066.65)	32,383.87
Local (SEMCOG)	0.00	0.00	0.00	0.00	0.00	0.00
Local matching contributions	0.00	0.00	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	51,888.08	51,888.08
In-kind revenue						
Total revenues earned	137,904.36	70,653.88	62,500.00	336,174.92	198,367.27	805,600.43
Expenditures:						
Salaries	35,039.05	12,067.92	0.00	0.00	336,174.92	0.00
Contracts	0.00	0.00	0.00	0.00	146,498.19	482,674.11
Travel	2,617.68	1,191.30	0.00	0.00	0.00	3,808.98
Data Processing	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	38.41	236.62	0.00	0.00	0.00	275.03
Other costs	307.32	735.37	0.00	0.00	0.00	1,042.69
Fringe benefits	19,637.80	6,892.65	0.00	0.00	0.00	26,530.45
Support services	15,485.60	5,901.54	0.00	0.00	0.00	21,387.14
Indirect costs	17,147.60	6,389.13	0.00	0.00	0.00	23,536.73
Operational expenditures					146,498.19	606,362.10
Pass-through expenditures	90,273.46	33,414.53	0.00	336,174.92		
Pass-through match	47,630.90	37,239.35	62,500.00	0.00	0.00	147,370.25
In-kind match	0.00	0.00	0.00	0.00	51,868.08	51,868.08
Total expenditures	137,904.36	70,653.88	62,500.00	336,174.92	198,367.27	805,600.43
Federal and state share of expended funds	137,492.51	70,653.88	51,156.25	291,450.00	170,595.84	721,348.48
Cash received	137,492.51	61,410.78	39,631.33	281,450.00	95,987.76	625,972.38
Adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable @ 6/30/05		9,243.10	11,524.92	0.00	74,508.08	95,376.10

Southeast Michigan Council of Governments

By Funding Source - Michigan Department of Transportation Pass-through Expenses/Match from Project Inception through June 30, 2005

TAS ⁴ TRANSPORTATION ASSET MGT 2003-0009 72750	TAS ⁵ TRANSPORTATION ASSET MGT 2003-0009/Z36	WCD3 WATS CRASH DATA 2003-0009 75648	WHM2 WOODWARD HERITAGE ROUTE MGT. 92-0956 55712	WHM4 WOODWARD HERITAGE ROUTE MGT. 2003-0009 72095	TOTALS
Smart - Payable	0.00	0.00	0.00	0.00	0.00
Ddot - Payable	0.00	0.00	0.00	0.00	0.00
Asset Management - Payable	47,630.90	37,239.35	0.00	0.00	0.00
WATS Crash Data - Payable	0.00	0.00	62,500.00	0.00	62,500.00
	47,630.90	37,239.35	62,500.00	0.00	0.00
Smart - Pass thru match	0.00	0.00	0.00	0.00	0.00
Ddot - Pass thru match	0.00	0.00	0.00	0.00	0.00
WATS Crash Data - Pass Thru Match	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00
Total	47,630.90	37,239.35	62,500.00	0.00	147,370.25

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Environmental Quality and Environmental Protection Agency for the Year Ended June 30, 2005

	TOTALS	95%
Grantor funding percentage		
Revenues earned:		
Federal grants	11,500.70	11,500.70
State administered Federal grants	0.00	0.00
State Grants	0.00	0.00
Local (SEMCOG)	311.30	311.30
Local matching contributions	0.00	0.00
Other administered Federal grants	0.00	0.00
Other revenues	0.00	0.00
Total revenues earned	11,812.00	11,812.00
Expenditures:		
Salaries	0.00	0.00
Contracts	50,556.00	50,556.00
Travel	0.00	0.00
Data Processing	0.00	0.00
Supplies	0.00	0.00
Other costs	(38,744.00)	(38,744.00)
Fringe benefits	0.00	0.00
Support services	0.00	0.00
Indirect costs	0.00	0.00
Total expenditures	11,812.00	11,812.00
Accounts receivable @ 7/1/04		
Federal and state share	4,180.00	4,180.00
or expended funds		
Cash Received FY 2005	11,500.70	11,500.70
Adjustments	15,680.70	15,680.70
	0.00	0.00
Accounts receivable @ 6/30/05	0.00	0.00

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Department of Environmental Quality and Environmental Protection Agency from Project Inception through June 30, 2005

	SMI2 SOUTHEAST MICH INITIATIVE X985409-02	TOTALS
Grant award total		66,316
Revenues earned:		
Federal grants	62,526.60	62,526.60
State administered Federal grants	0.00	0.00
State Grants	0.00	0.00
Local (SEMCOG)	4,596.07	4,596.07
Local matching contributions	0.00	0.00
Other administered Federal grants	0.00	0.00
Other revenues	0.00	0.00
Total revenues earned	67,122.67	67,122.67
Expenditures:		
Salaries	14,149.48	14,149.48
Contracts	54,956.00	54,956.00
Travel	34.70	34.70
Data Processing	10,221.55	10,221.55
Supplies	108.06	108.06
Other costs	(36,520.38)	(36,520.38)
Fringe benefits	7,891.22	7,891.22
Support services	6,481.91	6,481.91
Indirect costs	9,800.13	9,800.13
Total expenditures	67,122.67	67,122.67
Federal and state share of expended funds		
Cash received	62,526.60	62,526.60
Accounts receivable@ 6/30/05	0.00	0.00

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Federal Transportation Administration for the Year Ended June 30, 2005

	CRS3 COMMUTER RAIL STUDY MI-03-0179-00	OC05 REG. TRANS. OP. COLLABORATION DTFH61-05-H-00006	TOTAL	
Grantor funding percentage				100%
Revenues earned:				
Federal grants	132,725.10	15,346.48	148,071.58	
State administered Federal grants	0.00	0.00	0.00	
State grants	0.00	0.00	0.00	
Local (SEMCOG)	(0.10)	3,836.62	3,836.52	
Local matching contributions	0.00	0.00	0.00	
Other administered Federal grants	0.00	0.00	0.00	
Other revenues	0.00	0.00	0.00	
Total revenues earned	132,725.00	19,183.10	151,908.10	
Expenditures:				
Salaries	0.00	4,732.33	4,732.33	
Subcontracts	132,725.00	6,175.35	138,900.35	
Travel	0.00	0.00	0.00	
Data processing	0.00	0.00	0.00	
Supplies	0.00	55.20	55.20	
Other costs	0.00	732.75	732.75	
Fringe benefits	0.00	2,702.90	2,702.90	
Support services	0.00	2,297.38	2,297.38	
Indirect costs	0.00	2,487.19	2,487.19	
Operational expenses	132,725.00	19,183.10	151,908.10	
Total expenditures	132,725.00	19,183.10	151,908.10	
Accounts receivable @ 7/1/04				
Federal and state share of expended funds				
Cash received FY 2005	78,658.90	0.00	78,658.90	
Adjustments	132,725.10	15,346.48	148,071.58	
211,384.00	0.00	0.00	211,384.00	
0.00				0.00
Accounts receivable @ 6/30/05				
				15,346.48

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Michigan Federal Transportation Administration from Project Inception through June 30, 2005

	CRS3 COMMUTER RAIL STUDY MI-03-0179-00	OC05 REG. TRANS. OP. COLLABORATION DTFH61-05-H-00006	TOTAL
Grant award total	985,320		250,000
Revenues earned:			
Federal grants	953,265.00	15,346.48	968,611.48
State administered Federal grants	0.00	0.00	0.00
State grants	0.00	0.00	0.00
Local (SEMCOG)	(0.78)	3,836.62	3,835.84
Local matching contributions	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00
Total revenues earned	953,264.22	19,183.10	972,447.32
Expenditures:			
Salaries	0.00	4,732.33	4,732.33
Subcontracts	953,264.22	6,175.35	959,439.57
Travel	0.00	0.00	0.00
Data processing	0.00	0.00	0.00
Supplies	0.00	55.20	55.20
Other costs	0.00	732.75	732.75
Fringe benefits	0.00	2,702.90	2,702.90
Support services	0.00	2,287.38	2,287.38
Indirect costs	0.00	2,487.19	2,487.19
Operational expenses	953,264.22	19,183.10	972,447.32
Total expenditures	953,264.22	19,183.10	972,447.32

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Other and Local Projects for the Year Ended June 30, 2005

	WC15 WAYNE CNTY WET WEATHER DEMO #1 WC/EPA	WC25 WAYNE CNTY WET WEATHER DEMO #2 WC/EPA	WC35 WAYNE CNTY WET WEATHER DEMO #3 WC/EPA	TOTALS
Grantor funding percentage	100%	100%	100%	50%
Revenues earned:				
Federal grants	0.00	0.00	0.00	0.00
State administered Federal grants	0.00	0.00	0.00	0.00
State grants	0.00	0.00	0.00	0.00
Local (-SEMCOG)	0.00	0.00	1,389.77	1,389.77
Local matching contributions	0.00	0.00	0.00	0.00
Other administered Federal grants	267.46	438.44	1,389.77	2,095.67
Other revenues	0.00	0.00	0.00	0.00
Total revenues earned	267.46	438.44	2,779.54	3,485.44
Expenditures:				
Salaries	97.82	176.41	1,104.73	1,378.96
Subcontracts	0.00	0.00	0.00	0.00
Travel	15.39	0.00	21.46	36.85
Data processing	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Other costs	0.00	0.00	0.00	0.00
Fringe benefits	55.87	100.76	630.97	787.60
Support services	47.24	77.44	490.91	615.59
Indirect costs	51.14	83.83	531.47	666.44
Equipment expenditures, net of depreciation	0.00	0.00	0.00	0.00
Total expenditures	267.46	438.44	2,779.54	3,485.44
Accounts receivable @ 7/1/04				
Federal and state share	0.00	0.00	0.00	0.00
of expended funds				
Cash received FY 2005	267.46	438.44	1,389.77	2,095.67
Accounts receivable @ 6/30/05	267.46	438.44	1,389.77	2,095.67

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Other and Local Projects from Project Inception through June 30, 2005

	WC15 WAYNE CNTY WET WEATHER DEMO #1 WC/EPA	WC25 WAYNE CNTY WET WEATHER DEMO #2 WC/EPA	WC35 WAYNE CNTY WET WEATHER DEMO #3 WC/EPA	TOTALS
Grantor award total	242,000	242,000	242,000	242,000
Revenues earned:				
Federal grants	0.00	0.00	0.00	0.00
State administered Federal grants	0.00	0.00	0.00	0.00
State grants	0.00	0.00	0.00	0.00
Local (SEMCOG)	0.00	0.00	1,389.77	1,389.77
Local matching contributions	0.00	0.00	0.00	0.00
Other administered Federal grants	267.46	438.44	1,389.77	2,095.67
Other revenues	0.00	0.00	0.00	0.00
Total revenues earned	267.46	438.44	2,779.54	3,485.44
Expenditures:				
Salaries	97.82	176.41	1,104.73	1,378.96
Subcontracts	0.00	0.00	0.00	0.00
Travel	15.39	0.00	21.46	36.85
Data processing	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Other costs	0.00	0.00	0.00	0.00
Fringe benefits	55.87	100.76	630.97	787.60
Support services	47.24	77.44	490.91	615.59
Indirect costs	51.14	83.83	531.47	666.44
Total expenditures	267.46	438.44	2,779.54	3,485.44
Federal and state share of expended funds				
Cash received	267.46 0.00	438.44 0.00	1,389.77 0.00	2,095.67 0.00
Accounts receivable@ 6/30/05	267.46	438.44	1,389.77	2,095.67

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Other and Local Projects for the Year Ended June 30, 2005

	LP05 LOCAL PROJECTS	MA03 METRO AFFAIRS	MA04 METRO AFFAIRS	MA05 METRO AFFAIRS	MS05 MICH. SEA GRANT	OIP5 ORTHOIMAGERY	RG05 RAINGAUGE	WC03 WAYNE CNTY WET WEATHER DEMO WC/EPA	TOTALS
	FY 04-05	COALITION 2003	COALITION 2004	COALITION 2005	EDUCATOR	PARTNERSHIP	NETWORK FY 04-05		
Grantor funding percentage		100%	100%	100%		100%	100%		50%
Revenues earned:									
Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Local -(SEMCOG)	1,229,307.02	0.00	0.00	0.00	0.00	0.00	20,168.54	43,707.01	1,293,182.57
Local matching contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	163,243.22	158,671.25	1,086.38	0.00	77,000.00	0.00	50,658.68
Total revenues earned	1,229,307.02	0.00	163,243.22	158,671.25	1,086.38	0.00	97,168.54	94,365.69	1,743,842.10
Expenditures:									
Salaries	392,287.73	0.00	78,775.88	77,793.93	88.46	0.00	31,970.02	14,735.69	595,651.71
Subcontracts	44,985.19	0.00	0.00	866.52	98,285.58	24,815.00	24,815.00	9,000.00	177,942.29
Travel	29,142.51	0.00	0.00	0.00	0.00	24.41	24.41	96.90	29,486.82
Data processing	29,507.11	0.00	6,322.96	4,215.30	0.00	0.00	0.00	2,107.69	42,153.06
Supplies	29,674.04	0.00	1,937.71	835.16	0.00	0.00	2,705.05	20,277.49	55,429.45
Other costs	(7,354.13)	0.00	0.00	1,055.25	0.00	(98,295.58)	6,912.68	9,158.65	(88,523.13)
Fringe benefits	223,026.56	0.00	44,983.25	44,432.38	50.53	0.00	3,905.00	8,049.98	324,457.70
Support services	195,946.53	0.00	0.00	30,339.23	38.83	0.00	12,778.80	14,616.66	223,380.82
Indirect costs	219,111.48	0.00	31,213.42	42.04	0.00	0.00	13,834.58	16,322.63	310,863.38
Equipment expenditures, net of depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenditures	1,156,307.02	0.00	163,243.22	158,671.25	1,086.38	0.00	97,168.54	94,365.69	1,670,842.10
Accounts receivable @ 7/1/04	0.00	14.78	20,752.03	0.00	0.00	0.00	0.00	0.00	29,746.87
Federal and state share of expended funds	0.00	0.00	163,243.22	158,671.25	1,086.38	0.00	77,000.00	50,658.68	450,659.53
Cash received FY 2005	0.00	14.78	180,751.92	135,579.56	571.18	0.00	77,000.00	80,405.55	474,322.99
Accounts receivable @ 6/30/05	0.00	0.00	3,243.33	23,091.69	515.20	0.00	0.00	0.00	26,850.22

Southeast Michigan Council of Governments

Combining Statement of Revenues and Expenditures by Funding Source - Other and Local Projects from Project Inception through June 30, 2005

LP05 LOCAL PROJECTS FY 04-05	MA03 METRO AFFAIRS COALITION	MA04 METRO AFFAIRS COALITION	MA05 METRO AFFAIRS COALITION	MS05 MICH. SEA GRANT EDUCATOR	OIP5 ORTHOIMAGERY PARTNERSHIP	RG05 RAINGAUGE NETWORK FY 04-05	WC03 WAYNE CNTY WET WEATHER W/CEPA	TOTAL
1,126,924	236,985	378,819	431,882	5,000	0	5,000	77,177	242,000
Grant award total								
Revenues earned:								
Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Local (SEMCOG)	1,156,307.02	0.01	0.00	0.00	0.00	0.00	113,987.95	1,290,463.52
Local matching contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other administered Federal grants	0.00	0.00	0.00	0.00	0.00	0.00	120,939.61	120,939.61
Other revenues	0.00	230,133.51	303,444.22	158,671.25	1,086.38	0.00	77,000.00	770,335.36
Total revenues earned	1,156,307.02	230,133.52	303,444.22	158,671.25	1,086.38	0.00	97,168.54	234,927.56
Expenditures:								
Salaries	392,287.73	111,739.88	147,833.29	77,793.90	88.46	0.00	31,970.02	60,664.24
Subcontracts	44,965.19	0.00	0.00	0.00	866.52	98,295.58	24,815.00	9,000.00
Travel	29,142.51	0.00	0.00	0.00	0.00	0.00	247.41	151.73
Data processing	29,507.11	8,899.64	10,865.65	4,215.30	0.00	0.00	7,739.63	61,227.33
Supplies	29,674.04	2,272.96	3,629.30	835.16	0.00	0.00	2,705.05	67,307.42
Other costs	(7,354.13)	0.00	0.00	1,055.25	0.00	(98,295.58)	6,912.68	(80,292.13)
Fringe benefits	223,026.56	63,178.99	83,353.74	44,432.38	50.53	0.00	3,905.00	31,495.48
Support services	195,946.53	0.00	0.00	0.00	38.83	0.00	12,778.80	246,034.01
Indirect costs	219,111.48	44,042.05	57,762.24	30,339.23	42.04	0.00	13,834.58	408,157.69
Total expenditures	1,156,307.02	230,133.52	303,444.22	158,671.22	1,086.38	0.00	97,168.54	234,927.56
Federal and state share of expended funds	0.00	230,133.51	303,444.22	158,671.25	1,086.38	0.00	77,000.00	120,939.61
Cash received	0.00	230,133.51	300,200.89	135,579.56	571.18	0.00	77,000.00	120,939.61
Accounts receivable@ 6/30/05	0.00	0.00	3,243.33	23,091.69	515.20	0.00	0.00	0.00
								28,850.22

Southeast Michigan Council of Governments

Computation of Fringe Benefit Rates and Schedule of Fringe Benefits

	PART TIME	FULL TIME	TOTAL
FICA	\$ 13,239.01	\$ 254,248.22	\$ 267,487.23
MEDICARE	3,200.98	61,473.11	64,674.09
UNEMPLOYMENT		16,931.85	16,931.85
DENTAL INSURANCE		62,537.33	62,537.33
LIFE & DISABILITY INSURANCE		60,754.52	60,754.52
GROUP HEALTH INSURANCE		732,136.28	732,136.28
WORKERS COMPENSATION		15,985.00	15,985.00
ANNUAL LEAVE		337,214.02	337,214.02
SICK LEAVE		153,399.55	153,399.55
HOLIDAY LEAVE		146,855.68	146,855.68
ADMIN LEAVE		16,427.67	16,427.67
RETIREMENT		129,782.29	129,782.29
OTHER FRINGE BENEFITS		106,921.07	106,921.07
TOTAL	\$ 16,440.99	\$ 2,094,667.59	\$ 2,111,106.58

FRINGE BENEFITS WERE ALLOCATED TO COST CENTERS AS FOLLOWS:

DIRECT COSTS
DATA PROCESSING COSTS
SUPPORT SERVICES COSTS
INDIRECT COSTS

THE SEPARATE FRINGE BENEFIT RATE FOR THE YEAR ENDED JUNE 30, 2005 ARE AS FOLLOWS:

	FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	COMBINED COSTS
FRINGE BENEFITS	\$ 2,094,667.59	\$ 16,440.99	\$ 2,111,106.58
GROSS SALARIES	\$ 3,667,422.09	57.12% \$ 190,967.08	8.61% \$ 3,858,389.17

Southeast Michigan Council of Governments

Schedule of Allocated Direct Data Processing Costs

DP COST

Salaries	\$ 174,370.72
Contracts	0.00
Travel	1,048.21
Meetings & Conference	2,559.00
Computer Equip. Exp	58,888.48
Print & Stationary	0.00
Office Supplies	482.60
Postage	716.62
Dues/Membership	633.77
Other Expenses	0.00
Telephone	13,616.34
Equip Rental & Maint	15,668.04
Depreciation	28,623.08
Meeting Expenses	38.97
Fringe Benefits	99,592.71
	\$ 396,238.54
	=====

Direct Data Processing costs

\$ 396,238.54
=====

Total Base Units

376

\$1,053.83

Southeast Michigan Council of Governments

Schedule of Support Services Costs

Salaries-Full Time	\$ 646,316.11
Salaries-Part Time	4,277.89
Contract Labor	0.00
Contracts	0.00
Travel	16,138.85
Meeting & Conferences	11,112.50
Auto- Rental & Maint	0.00
Data Processing	68,498.68
Furniture Expense	0.00
Computer Equip Exp	1,216.83
Print & Stationary	27,227.66
Office Supplies	1,786.38
Postage	33,505.22
Due & Memberships	38,554.19
Other	7,215.36
Telephone	2.67
Equip rent & maint	38.67
Meeting Expenses	34,197.61
Meeting Revenue	0.00
Refund Expnd	(26,822.34)
Fringe Benefits	369,514.99
	\$ 1,232,781.27
	=====
Support services costs	\$ 1,232,781.27
Direct and other allocated costs	\$ 4,412,591.87
	=
	27.94%
The support services cost rate for the year ended June 30, 2005 is the ratio of the support services costs to direct and other allocated costs of:	
Direct costs and allocated fringe benefits	\$ 6,187,106.48
LESS:	(1,232,781.27)
Support Services	(291,909.78)
Data Processing(elm 1-8)	(125,706.84)
MA04 (less indirect & dp)	(124,116.72)
MA05 (less indirect & dp)	
	\$ 4,412,591.87

Southeast Michigan Council of Governments

Schedule of Indirect Costs

Salaries	\$ 201,312.77
Part Time Salaries	1,735.25
Contract Labor	0.00
Contracts	42,725.00
Travel	1,064.54
Meetings & Conferences	960.00
Auto Rental & Maint	52,014.57
Data Processing	35,830.08
Furniture Expense	2,695.00
Computer Expense	1,295.00
Print/Stationary	16,823.30
Office Supplies	15,370.81
Postage	11,598.07
Insurance	23,618.00
Dues/Membership/Subscript	1,474.78
Other Expenses	1,151.45
Telephone	24,983.33
Utilities & Other	38,123.39
Equip Rental & Maint	79,357.00
Depreciation Expenses	45,280.44
Home Rent	746,968.90
Meeting Expenses	3,194.18
Refunded Expend.	0.00
Fringe Benefits	115,130.18
	<hr/>
	\$ 1,462,706.04
	<hr/>
Indirect cost	\$ 1,462,706.04
Direct costs and other allocated costs	\$ 6,187,106.48
OPERATIONAL EXPENSES	\$ 9,880,540.90
LESS:	
05IND	(1,462,706.04)
CONTRACT (ELM 1-8 ONLY)	(2,350,734.78)
IN-KIND (ELM 1-8 ONLY)	(51,868.08)
add back REF EXP (ELM 1-8 ONLY)	171,874.49
add back MEET REV (ELM 1-8 ONLY)	0.00
	<hr/>
	\$ 6,187,106.48

The indirect cost rate for the year ended June 30, 2005 is the ratio of the indirect costs to direct and other allocated costs of:

Indirect cost	\$ 1,462,706.04	23.64%
Direct costs and other allocated costs	\$ 6,187,106.48	
OPERATIONAL EXPENSES	\$ 9,880,540.90	
LESS:		
05IND	(1,462,706.04)	
CONTRACT (ELM 1-8 ONLY)	(2,350,734.78)	
IN-KIND (ELM 1-8 ONLY)	(51,868.08)	
add back REF EXP (ELM 1-8 ONLY)	171,874.49	
add back MEET REV (ELM 1-8 ONLY)	0.00	

Southeast Michigan Council of Governments

Federal Awards
Supplemental Information
June 30, 2005

Southeast Michigan Council of Governments

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Independent Auditor's Report

To the Executive Committee
Southeast Michigan Council
of Governments

We have audited the basic financial statements of the Southeast Michigan Council of Governments for the year ended June 30, 2005 and have issued our report thereon dated September 29, 2005. Those basic financial statements are the responsibility of the management of the Southeast Michigan Council of Governments. Our responsibility was to express an opinion on those basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Southeast Michigan Council of Governments taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

September 29, 2005



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**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

To the Executive Committee
Southeast Michigan Council
of Governments

We have audited the financial statements of the Southeast Michigan Council of Governments as of and for the year ended June 30, 2005 and have issued our report thereon dated September 29, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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To the Executive Committee
Southeast Michigan Council
of Governments

This report is intended solely for the information and use of the executive committee, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 29, 2005

**Report on Compliance with Requirements Applicable to Each Major Program
and on Internal Control Over Compliance in Accordance
with OMB Circular A-133**

To the Executive Committee
Southeast Michigan Council
of Governments

Compliance

We have audited the compliance of the Southeast Michigan Council of Governments with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. The major federal programs of the Southeast Michigan Council of Governments are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Southeast Michigan Council of Governments complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

To the Executive Committee
Southeast Michigan Council
of Governments

Internal Control Over Compliance

The management of the Southeast Michigan Council of Governments is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Council's internal control over compliance with requirements that could have a direct and material effect on the major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the executive committee, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

September 29, 2005

Southeast Michigan Council of Governments

Federal Agency/Pass-through Agency/Program Title	CFDA Number	Federal Grant Name/Number
U.S. Department of Transportation - Passed through the Michigan Department of Transportation:		
Federal Highway Administration Highway Planning and Construction	20.205	2003-0586
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
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Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Federal Highway Administration Highway Planning and Construction	20.205	2003-0009
Subtotal - Federal Highway Administration Highway Planning and Construction	20.205	92-0956
Federal Transit Administration		
Federal Transit Administration	20.505	2003-0009
Total funds passed through the Michigan Department of Transportation	20.505	2003-0009
Federal Transit Administration		
Federal Highway Administration - Highway Training and Education	20.505	MI-03-0179-00
U.S. Environmental Protection Agency:	20.215	DTFH61-05-H-0006
Water Quality Cooperative Agreement		
Passed through Wayne County:	66.463	X985409-02
Rouge River National Wet Weather	66.unknown	X995743-05
Rouge River National Wet Weather	66.unknown	X995743-06
Rouge River National Wet Weather	66.unknown	X995743-06
Rouge River National Wet Weather	66.unknown	X995743-06
Total funds passed through Wayne County		
Total federal awards		

See Notes to Schedule of Expenditures

of Federal Awards.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2005

SEMCOG	Federal
<u>GRANT #/ID</u>	<u>Expenditures</u>

CRS4	\$ 1,041,297
F04A	51,658
F04M	19,033
F04S	30,931
F05A	195,942
F05M	40,971
F05S	71,773
F05	4,183,631
OZ01	46,146
PC04	35,914
PC05	293,728
RS05	279,970
RSS5	94,500
TAS4	31,071
TAS5	70,654
TDM5	66,984
TIA4	841
WCD3	35,852
WHM4	<u>170,596</u>

	6,761,492
U05	1,247,139
U04	<u>21,060</u>
	8,029,691

CRS3	132,725
OC05	15,346

SMI2	11,501
------	--------

WC03	50,659
WC15	267
WC25	438
WC35	<u>1,390</u>

	52,754
--	--------

	<u>\$8,242,017</u>
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Southeast Michigan Council of Governments

Notes to Schedule of Expenditures of Federal Awards **Year Ended June 30, 2005**

Note I - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Southeast Michigan Council of Governments and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

A reconciliation of the Council's basic financial statements federal source revenue presentation with the schedule of expenditures of federal awards is as follows:

Revenue from federal sources - As reported on financial statements (includes all funds)	
Federal revenue reported as federal grants	\$ 159,572
Federal revenue reported as state-administered federal grants	6,911,599
Federal revenue reported as federal and state administered pass-through	1,118,092
Federal revenue reported as other administered federal	<u>52,754</u>
 Federal expenditures per the schedule of expenditures of federal awards	 <u>\$ 8,242,017</u>

Southeast Michigan Council of Governments

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2005

Note 2 - Subrecipient Awards

Of the federal expenditures presented in the schedule, federal awards were provided to subrecipients as follows:

Federal Program Title	CFDA Number	Amount Provided to Subrecipients
Federal Highway Administration - Planning and Construction Grant - Passed through to:	20.205	
Washtenaw Area Transportation Study/ Ann Arbor Transportation Authority		\$ 51,658
Toledo Metropolitan Area Council of Governments		19,033
St. Clair County Transportation Study		30,931
Washtenaw Area Transportation Study/ Ann Arbor Transportation Authority		195,942
Toledo Metropolitan Area Council of Governments		40,971
St. Clair County Transportation Study		<u>71,773</u>
Total project number		<u>\$ 410,308</u>
Federal Transit Administration - Passed through to:	20.505	
Suburban Mobility Authority for Regional Transportation		\$ 251,518
Ann Arbor Transportation Study		49,440
Washtenaw Area Transportation Study		11,747
Detroit Department of Transportation		<u>299,500</u>
Total project number		<u>\$ 612,205</u>

Southeast Michigan Council of Governments

Schedule of Findings and Questioned Costs Year Ended June 30, 2005

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major program(s):

- Material weakness(es) identified? Yes No
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program(s):

CFDA Numbers	Name of Federal Program or Cluster
20.205	Federal Highway Administration Highway Planning and Construction
20.505	Federal Transit Administration

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

Southeast Michigan Council of Governments

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2005

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None